GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:3482
ANSWERED ON:06.08.2002
EXPORT PRICE OF ALUMINIUM
AJAY CHAKRABORTY

Will the Minister of COAL AND MINES be pleased to state:

(a) whether it is a fact that as per the National Mineral Policy 1993, the aluminium producers are required to first supply the mineral based materials, i.e. aluminium to the domestic consumers at a reasonable price and the only export;

(b) if so, the details thereof;

(c) whether the export price realised in respect of aluminium in the vicinity of Rs. 70,000/- PMT whereas selling in the domestic market at Rs. 80,000/- PMT;

(d) if so, the details thereof;

(e) whether it is a fact that the Minerals (Bauxite) are supplied to the domestic producers at a very low rate based on LME/International price as per the Mineral Concession (2nd Amendment) Rules 2000 whereas there is no linkage with LME in respect of selling price of their product i.e. aluminium;

(f) if so, whether the Government examine and instruct the primary producers of aluminium to fix their prices in line with LME prices of International prices; and

(g) if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (SHRI RAVI SHANKAR PRASAD)

(a) No, Sir.

(b) Does not arise.

(c) & (d) The net realisation of price by National Aluminium Company Limited (NALCO), the only Public Sector Undertaking producing aluminium metal , for sale of aluminium metal in overseas and domestic market for the last three financial years is follows:-

(Net realisation in Rs./MT)

	1999-2000	2000-2001	2001-02
Export Sale	80,054	84,856	72,991
Domestic Sale	74,114	79,070	78,755

The export sales realisation is inclusive of the export benefits by way of Duty Exemption Pass Book Scheme and income tax exemptions on profit relating to exports.

(e) Mineral Concession Rules 1960, do not cover fixation of selling price of Minerals.

(f) & (g) The Aluminium Sector is decontrolled and the metal has been placed under the Open General License Category for import and export. Consequently, there are no price controls exercised by the Government of India over Aluminium. The primary producers fix the prices of Aluminium after taking into account a number of factors, including the metal`s price in London Metal Exchange, landed cost of the imported metal & demand/supply conditions in the domestic market.